



EFFECTS OF HOLISTIC MARKETING ON ORGANIZATIONAL PERFORMANCE

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ABSTRACT: *This article examines the influence of holistic marketing strategy on organizational performance. Descriptive and analytical research designs were used in this study. Demographic and primary data were obtained through interviews and from questionnaires administered to one hundred and fifty (150) respondents made up of operators, customers and staff of three service sectors through simple random sampling method. Pilot survey and Cronbach's Alpha were used to confirm the validity and reliability of the study respectively and their variables of measures. Correlation analysis, multiple regression analysis and multicollinearity test were used to analyze the data with the aid of statistical package for social sciences (SPSS). The results showed that the independent variables (Holistic marketing which consists of Social Responsibility Marketing, Internal Marketing, Relationship Marketing and Integrated Marketing) were significant joint predictors of organizational performance ($R^2=.630$). Subsequently, recommendations were made to organizations, especially the ones in the private sectors that they should adopt holistic marketing strategy concepts in order to satisfy customers and sustain firms' profitability locally and globally.*

KEYWORDS: Holistic Marketing, Customers, Organizational Performance.



INTRODUCTION

The challenging and competitive business environment of the twenty-first century calls for a new approach and philosophy in the way marketing activities are carried out. Holistic marketing practice is one of the newest philosophies and approaches in business that has emerged in response to fundamental changes in the current marketing environment. Among the key forces influencing organizational activities that necessitate a different approach to marketing include globalization, deregulation, privatization, heightened competition, industry convergence, retail transformation and disintermediation (Kotler et al., 2008). The success of any organizational strategy largely depends on the philosophy held and advocated for by management. Kotler et al. (2008) further noted that marketing activities in an organization are guided by a certain philosophy or orientation.

Holistic marketing is a philosophy meant to address fundamental organizational performance challenges anchored on the premise that everything matters and contributes significantly to the profitability and sustainability of any organization. The marketing environment has recently experienced dramatic changes arising from macro environmental forces that eventually have an effect on organizational competitiveness, performance and sustainability.

Holistic marketing draws heavily from relationship marketing theories such as commitment trust theory and inter-firm relationship marketing theory. In addition, holistic marketing draws from internal marketing theories, integrated marketing communication theories and social marketing theories. From an organizational perspective, these theories demand development of strategic relationship with all stakeholders in order to efficiently and effectively achieve its goals. The theories consider the effect of resources within an organization, influence of external environment and the kind of relationship that must be developed for effective organizational performance. Holistic marketing approach has application in both for-profit and not-for-profit organizations as an effective and efficient strategy for sustainable organizational performance in a competitive environment. An attempt to embrace this concept has been made by profit-making organizations but their counterparts non-profit are lagging behind (Kotler et al., 2008).

The aim of this study is to determine the effects of holistic marketing and its components (integrated marketing, social responsibility marketing, internal marketing and relationship marketing) on organizational performance.

Objectives of the Study

The main objectives of this study are to:

1. Analyze the influence of holistic marketing on organizational performance
2. Identify the interrelationships between holistic marketing components and organizational performance and to identify the benefits of these relationships.



Hypotheses of the Study

For the purpose of the study, the following alternate hypotheses were formulated:

- H1:** There is a positive relationship between relationship marketing and organizational performance
- H2:** There is a positive relationship between internal marketing and organizational performance
- H3:** There is a positive relationship between integrated marketing and organizational performance
- H4:** There is a positive relationship between social responsibility marketing and organizational performance
- H5:** There is a positive relationship between holistic marketing and organizational performance.

LITERATURE REVIEW

Holistic Marketing Practices

Holistic marketing is a customer-centric approach that aims to integrate various marketing components and strategies to create a seamless and consistent customer experience. This approach recognizes that customers interact with multiple touch-points, such as websites, social media, salespeople, and customer service representatives, and seeks to create a unified and consistent experience across all touch-points.

Personalization is one of the key trends in holistic marketing that aims to tailor the customer experience to the individual customer's preferences and needs (Li et al., 2021). Personalization involves the use of customer data, such as browsing history, purchase behaviour, and demographics, to deliver targeted and relevant marketing messages and offers. Personalization has been shown to improve customer engagement, satisfaction, and loyalty by creating a more meaningful and relevant customer experience (Chaffey et al., 2019).

Omni-channel marketing is another holistic marketing practice that aims to provide a seamless and consistent customer experience across all channels and touch-points, including online and offline channels (Verhoef et al., 2021). Omni-channel marketing involves the integration of various channels, such as websites, social media, mobile apps, email, SMS, and physical stores, to create a unified and consistent customer journey. Omni-channel marketing has been shown to improve customer engagement, loyalty, and revenue by providing customers with a choice of channels and touch-points that suit their preferences and needs (Kumar et al., 2020).

Brand purpose is another holistic marketing practice that emphasizes the alignment of all marketing components and strategies around a shared purpose and values (Keller et al., 2021). Brand purpose involves the articulation of a clear and meaningful reason for the brand's existence beyond profit-making, such as social or environmental impact. Brand purpose has



been shown to improve customer engagement, loyalty, and reputation by creating a deeper and more meaningful connection between the brand and customers (Balmer et al., 2019).

Artificial intelligence is another holistic marketing practice that involves the use of machine learning algorithms and predictive analytics to automate and optimize marketing processes and strategies (Mangold et al., 2021). AI can be used to personalize marketing messages, predict customer behaviour, optimize pricing and promotions, and enhance customer service. AI has been shown to improve marketing efficiency, effectiveness, and agility by providing real-time insights and automated decision-making (Xie et al., 2020).

Holistic marketing has four main approaches, namely *internal marketing*, *relationship marketing*, *integrated marketing* and *social responsibility marketing*. These dimensions capture the interests of all stakeholders in an organization. It is only when the resources of the entire organization are mobilized towards a common objective that a firm can expect to survive in the current hyper-competitive marketing environment. The study considered internal marketing, relationship marketing, integrated marketing and social responsibility marketing as the main constructs constituting holistic marketing. Holistic marketing perceives that all elements are significant in marketing and that a wide, incorporated point of view is frequently important.

- ❖ ***Social Responsibility Marketing:*** It means the commitment of marketing organizations (departments) to not harming the social environment, and to use its skills and resources whenever possible in the development of the environment. Social responsibility is required of every organization in order to improve their relationships positively with the society. Social responsibility can also be when organizations give back part of their profits to the society by providing basic amenities for the public; this in turn increases their relevance and gives the organization a positive image.
- ❖ ***Integrated Marketing:*** It means a planned process designed to make sure that all marketing activities have been utilized in an integrated and balanced manner in order to create, communicate and deliver value to the customer and that these activities are appropriate all the time. Integrated marketing, according to many authors, involves the implementation of every means of communication with customers in order to boost the trust of the organization's existing customers and attract new customers. The tools of integrated marketing are direct marketing, advertising, public relations, personal selling, sales promotion and email marketing.
- ❖ ***Internal Marketing:*** It means that each individual within the organization (whether in senior management or marketing department or other departments) embraces marketing principles appropriate for customer service. This component of holistic marketing emphasizes on treating employees of the organization as though they were customers.
- ❖ ***Relationship Marketing:*** It means the development and management of long-term relationships of trust with all parties in the marketing environment, such as customers, employees, marketing parties (suppliers, distributors, agencies, etc.), and the financial community (shareholders, investors, analysts, etc.).



Organizational Performance

Organizational performance is a crucial measure of success for any business, encompassing financial performance, customer satisfaction, employee engagement, and innovation. Recent research highlights that organizational performance is positively influenced by strategic planning, innovation, human resource management, service quality, leadership, and other factors (Chen et al., 2020; Huang et al., 2021; Jiao et al., 2020). For example, financial performance is positively associated with strategic planning, innovation, and human resource management, while customer satisfaction is positively associated with service quality, product quality, and brand image. Employee engagement is positively associated with job satisfaction, organizational commitment, and job performance, while innovation is positively associated with strategic planning, market orientation, and knowledge management. Organizations that prioritize these factors are more likely to achieve high levels of organizational performance, which can lead to sustained competitive advantage and long-term success.

The Relationship Between Holistic Marketing and Overall Organizational Performance

Holistic marketing has been found to have a positive impact on various measures of organizational performance. For instance, studies have shown that holistic marketing can improve customer satisfaction, loyalty, and retention (Gummesson, 2018). By creating a seamless and consistent customer experience, holistic marketing can enhance the customers' perception of the brand and increase their likelihood to repurchase and recommend the brand to others.

Holistic marketing has also been found to have a positive impact on employee engagement and satisfaction. By aligning all marketing components around a shared purpose and values, holistic marketing can create a sense of purpose and meaning for employees, which can enhance their motivation, productivity, and loyalty (Sarstedt et al., 2019).

Moreover, holistic marketing can improve organizational agility and innovation. By integrating various marketing components and strategies, holistic marketing can create a flexible and responsive organization that can adapt to changing market conditions and customer preferences (Ngo & O'Cass, 2020). Holistic marketing can also foster innovation by encouraging cross-functional collaboration and experimentation.

Finally, holistic marketing can improve organizational profitability and market share. By creating a unified and consistent customer experience, holistic marketing can enhance the customer's perception of the brand's value and differentiation, which can increase their willingness to pay and loyalty (Duffett, 2017). Holistic marketing can also improve the efficiency and effectiveness of marketing activities by eliminating redundancies and optimizing resource allocation.

In conclusion, holistic marketing is a customer-focused approach that emphasizes the integration of various marketing components and strategies to create a unified and seamless customer experience. Holistic marketing has been found to have a positive impact on various measures of organizational performance, such as customer satisfaction, loyalty, employee engagement, innovation, profitability, and market share. Holistic marketing can be a valuable strategic tool for organizations seeking to create a competitive advantage and build long-term customer relationships.

CONCEPTUAL MODEL

Based on the background of the study and review of the holistic marketing literature, a conceptual model has been developed to examine the effect of holistic marketing strategies on organizational performance. *Figure 1* presents the conceptual model.

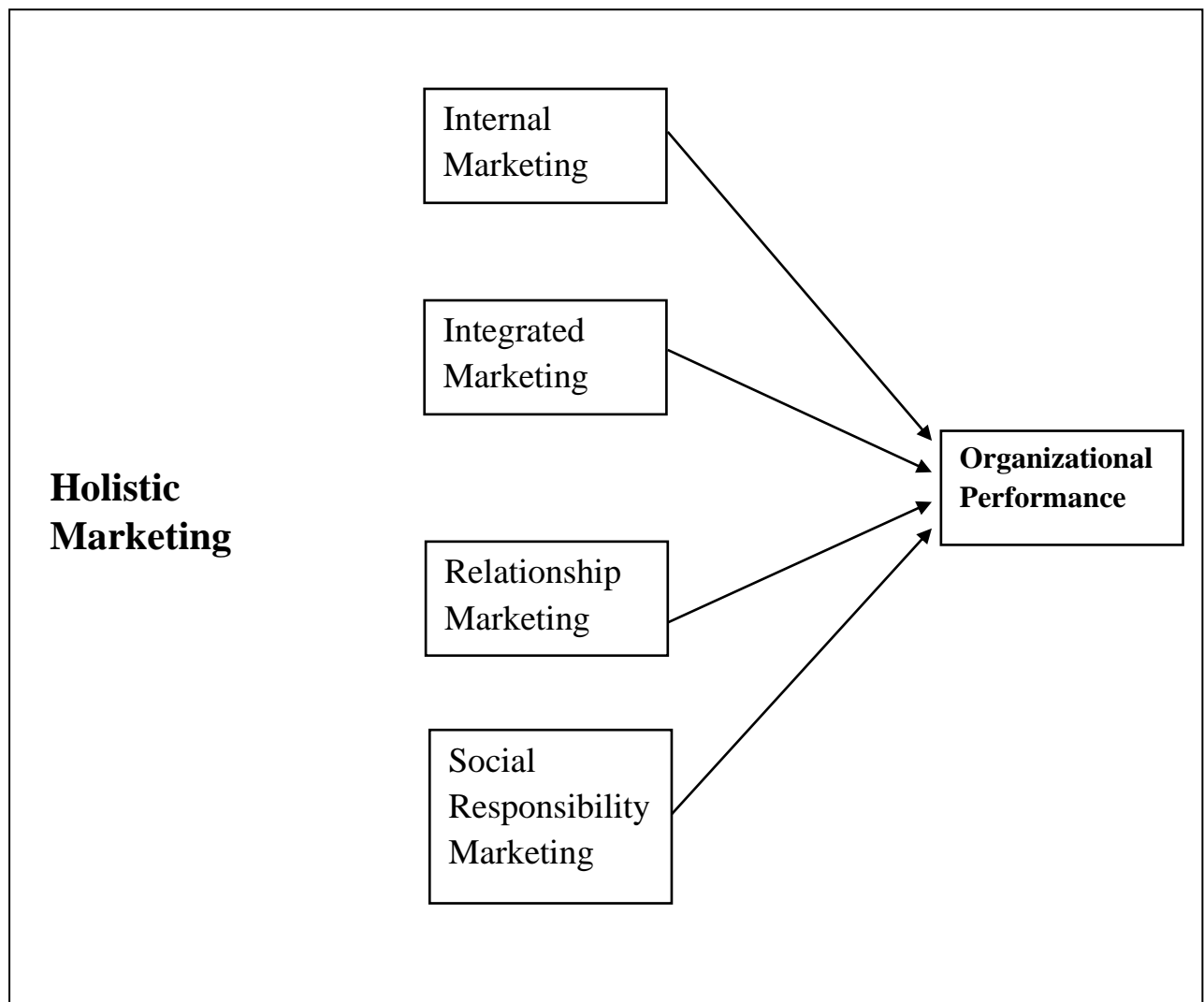


Figure 1: Conceptual Model of Holistic Marketing Effects of Organizational Performance



RESEARCH METHODOLOGY

The research design was used in descriptive and analytical research. The present study used primary data collected through a pre-tested questionnaire method. The questionnaire was pre-tested by conducting a pilot study and suitable modification was made in the questionnaire relating to the study. Data pertaining to the study was collected from August 2022 to November 2022. The researcher chose 150 respondents made up of operators, customers and staff of three service sectors namely: banking sector, education sector and IT sector located in Lagos, Nigeria. Statistical tools such as correlation analysis, multiple regression analysis and multicollinearity test were used for data analysis.

Reliability Test

Table 1 shows a Cronbach's Alpha of 0.784; hence, we can say that the reliability of the questionnaire is at moderately good level.

Table 1: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha based on standardized items	Number of items
.784	.784	25

Validity Analysis

The test of validity of data has been conducted with the help of Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of Sphericity. The results of KMO test is .798. It shows that the value of KMO statistics is greater than 0.7, indicating that data could be used for further analysis.

ANALYSIS AND RESULTS

Correlation Analysis

The table below shows the correlation analysis of holistic marketing dimensions and organizational performance based on the hypotheses of this study. Pearson correlation coefficient was calculated to determine the relationship between the variables. Correlation analysis shows that there is a moderate positive relationship between the holistic marketing dimensions and organizational performance.

Table 2: Correlation Analysis

	Hypotheses	Coefficient of correlation	Interpretation
H1	There is a positive relationship between relationship marketing and organizational performance.	0.675	Moderate positive correlation
H2	There is a positive relationship between internal marketing and organizational performance.	0.465	Moderate positive correlation



H3	There is a positive relationship between integrated marketing and organizational performance.	0.565	Moderate positive correlation
H4	There is a positive relationship between social responsibility marketing and organizational performance.	0.513	Moderate positive correlation

Multiple Regression Analysis

Table 3: Model Summary: Holistic Marketing and Organizational Performance

***a: (Constant) Social Responsibility Marketing, Internal Marketing, Relationship Marketing, Integrated Marketing

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.793 ^a	.630	.625	2.47439

The above table demonstrates that the estimation of R Square equals .630, showing that 63 % of the variations in the organizational performance were specified by the four independent variables (social responsibility marketing, internal marketing, relationship marketing and integrated marketing).

Table 4: Coefficients of Holistic Marketing and Organizational Performance

Model/ Variables	Un-standardized Coefficients		Standardized Coefficients Beta	t	Sig.	Collinearity Statistics	
	B	Std. Error				Tolerance	VIF
Constant	8.666	1.710		5.069	.000		
Relationship Marketing	1.274	.097	.917	13.181	.000	.247	4.046
Internal Marketing	-1.028	.195	-.493	-5.272	.000	.137	7.324
Integrated Marketing	.505	.171	.282	2.946	.003	.130	7.664
Social Responsibility Marketing	.150	.142	0.51	1.056	.292	.520	1.923

The above coefficients table illustrates that the internal marketing variable is negatively related with organizational performance as is noticeable from the negative value of its unstandardized coefficients (-1.028). Similarly, the other variables—social responsibility marketing (.150),



integrated marketing (.505), and relationship marketing (1.274)—are positively related to organizational performance. It can also be seen that relationship marketing (0.917) has a higher influence on organizational performance compared with the standardized coefficients of other variables. The results indicate that integrated marketing, relationship marketing and social responsibility marketing significantly influence the organizational performance as the p-values for their coefficients is 0.000. The significant value (.292) reflects that social responsibility marketing has no effect on the organizational performance. The effect of multicollinearity is nullified as all the predicted variables, viz internal marketing, integrated marketing, social responsibility marketing and relationship marketing, in the model have tolerance of 0.137, 0.130, 0.520 and 0.247 respectively. Further, the result shows that the Variance Inflation Factor (VIF) values are obtained from 1 to 10; it can be summarized that there is no multicollinearity indications. It specifies that all the holistic marketing variables are statistically independent.

FINDINGS

This particular study was oriented on the influence of holistic marketing strategies on organizational performance. The study proves that holistic marketing is an important strategy for a firm's success in today's increasingly competitive environment. The present research finding supports the fact that holistic marketing is a significant factor which influences the performance of organizations. Therefore, as stated in hypotheses 5 (H5), holistic marketing has a positive influence on organizational performance.

RECOMMENDATIONS

Holistic strategy essentially builds mutual relationships with customers, both internally and externally. It also focuses on customer relationship management and partners' relationship management. As stated by many firms' operators and managers interviewed, holistic marketing concepts are being explored continuously in their companies as a strategic tool to take their companies to another height. This research has provided new directions on what could be done to bring about greater efficiency in service delivery and sustainability of corporate objectives. Based on the findings, the researcher recommends the following:

1. *Implement a Holistic Marketing Approach:* Businesses should consider implementing a holistic marketing approach that encompasses all aspects of the marketing mix, including product, price, promotion, and place. This will enable them to create a seamless customer experience across all touch-points and improve organizational performance.
2. *Invest in Customer Insights:* Holistic marketing requires a deep understanding of customer needs and preferences. Therefore, businesses should invest in customer research and data analytics to gain insights into customer behaviour, preferences, and pain points. This will enable them to tailor their marketing efforts to meet customer needs and improve organizational performance.



3. *Build a Strong Brand Image:* A strong brand image is a critical component of holistic marketing. Therefore, businesses should focus on building a strong brand that resonates with customers and reflects their values and aspirations. This will enhance customer loyalty and improve organizational performance.
4. *Foster a Customer-centric Culture:* Holistic marketing requires a customer-centric approach, where the needs and preferences of customers are at the centre of all marketing efforts. Therefore, businesses should foster a culture that places the customer at the heart of everything they do. This will improve customer satisfaction, retention, and loyalty, leading to improved organizational performance.
5. *Embrace Technology:* Holistic marketing requires businesses to leverage technology to create a seamless customer experience across all touch-points. Therefore, businesses should embrace technology and invest in digital marketing, customer relationship management (CRM) systems, and other marketing automation tools. This will enable them to deliver personalized and relevant marketing messages to customers and improve organizational performance.

Overall, the implementation of a holistic marketing approach can help businesses to improve their organizational performance, increase customer satisfaction and loyalty, and gain a competitive advantage in the market.

CONCLUSION

In conclusion, this study has highlighted holistic marketing as being an essential marketing strategy that effectively designs and implements programs and practices in coping with market complexity. It has highlighted the need to utilize the four marketing components of the holistic marketing to fully address the customers' satisfaction and organizational performance. This study explores the content and objectives of holistic marketing, explains its influence on organizations and describes the overall implementation process and its supporting pillars. The researcher concludes that only holistic marketing strategies could guarantee sustainable customers' satisfaction and in turn help to realize corporate objectives.

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